ANNEX B

MODEL COOPERATIVE TEST & EVALUATION (CTE) PROJECT ARRANGEMENT (PA)

TO THE

U.S. DOD – CANADA DND TEST AND EVALUATION PROGRAM (TEP) COOPERATION MOU

DATED

PROJECT ARRANGEMENT NO.____*

between

THE DEPARTMENT OF DEFENSE OF THE UNITED STATES OF AMERICA

and the

DEPARTMENT OF NATIONAL DEFENCE OF CANADA

CONCERNING

(FULL DESIGNATION OF THE PROJECT)

* The Project Arrangement Numbers will be structured as follows:

XX-NN-nnnn where XX is a U.S. Military Service or Defense Agency designator such as N for Navy, A for Army, AF for Air Force, AR for DARPA, etc.; NN is the calendar year, and nnnn is a sequential number.

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(At a minimum, a PA should include the above sections. If additional topics need to be addressed, sections, annexes, or special provisions should be included as necessary and appropriate.)

INTRODUCTION

This Cooperative Test & Evaluation (CTE) Project Arrangement (PA) is entered into pursuant to the MOU between the Department of Defense of the United States of America (U.S. DoD) and the Department of National Defence of Canada (CA DND) for Test and Evaluation Program (TEP) Cooperation of September 10, 2002. General provisions that are in the MOU are not repeated in this PA.

SECTION I

DEFINITION OF TERMS AND ABBREVIATIONS

(Define only those terms used in this PA that have not been defined in the MOU.)

	SECTION II
	<u>OBJECTIVES</u>
objectives of this	PA are:
The development of	f
The improvement o	of
. •	
	SECTION III
	SCOPE OF WORK
following work will be	undertaken under this PA.
Evaluate	
Design, fabricate an	•

SECTION IV

SHARING OF TASKS

The sh	naring of tasks will be as follows:				
a .	The U.S. DoD will				
b.	The CA DND will				
c.	U.S. DoD and CA DND will jointly				
	SECTION	ON V			
	BREAK DOWN AND SCHEDU	ILE OF TASKS (OPTIO	ONAL)		
<i>multip</i> The pr	his format when the tasks covered to the phases, requiring milestones or roject will proceed according to the priorities may pre-empt agreed-upon	decision points.) following phases and scl			
Phase 1 Description of	FDhace 1	Start MM/DD/YY	<u>End</u> MM/DD/YY		
-	(e.g., Transmittal of Feasibility Re		NAME OF T		
Phase 2 Description of	Phase 2	Start MM/DD/YY	End MM/DD/YY		
(Milestone 2)	(e.g., Decision to proceed to Phase	3)			
Phase 3 Description of	Phase 3	Start MM/DD/YY	End MM/DD/YY		
(Milestone 3)	(e.g., Evaluation, analysis of resu	lts)			
(Add as many	phases as necessary.)				

The final report must be transmitted to the MAs six months before the termination date for this PA.

SECTION VI

MANAGEMENT

(If a PA does not require a Steering Committee, use the following format to set forth how the PA will be managed.)

Alternative 1

			 -
		· 	
CA DND PO	Title/Position		
	Organization		
U.S. DoD PO	Title/Position		·

Alternative 2

	U.S. DoD Co-Chairman	Title/Position	
	•	Organization	•
		Address	
	CA DND Co-Chairman	Title/Position	
		Organization	
		Address	
	-		
2,	The POs are:		
	U.S. DoD PO	Title/Position	
		Organization	
		Address	
	CA DND PO	Title/Position	
•		Organization	
		Address	

(Mention only those additional management responsibilities not covered under Section IV (Management) of the MOU. For instance, if a PA will be administered by one joint program office (JPO) staffed by members from each Participant, add the following paragraph:

4.X Either Participant may assign personnel to the JPO to assist in administering a PA. The Host Participant will provide office space and administrative support to personnel of the other Participant in accordance with the Host Participant's normal practice. A Participant's assigned personnel will be subject to the normal procedures and regulations of the Host Participant. Provisions for the personnel provided are described in Appendix 1 to this PA.)

SECTION VII

FINANCIAL PROVISIONS

The Participants estimate that the cost of performance of the tasks under this PA will not exceed U.S.\$+ CA \$
Cooperative efforts of the Participants over and above the jointly agreed tasks set forth in the SCOPE OF WORK and SHARING OF TASKS and FINANCIAL PROVISIONS Sections will be subject to amendment to this PA or signature of a new PA.
(If a PA will involve the assignment of CPP, the PA will include a provision that refers to paragraphs 5.8 - 5.10 of the MOU, identifies which Participant is sending or hosting CPP, and specifies the number of CPP to be assigned. In addition, the PA will include the amount of financial and non-financial contributions related to CPP in one of the two alternatives below in this Section.)
(If a PA will not involve one Participant contracting for the other or both Participants, and no funds will be exchanged between the Participants, use the following format for the Financial Arrangements. Both financial and non-financial contributions should be included in the total U.S. DoD and CA DND costs.)
Alternative 1
The U.S. DoD tasks will not cost more than: U.S. \$
The CA DND tasks will not cost more than: CA \$
Or: (If a PA will involve one Participant contracting for the other Participant or both Participants, or the Participants will transfer or exchange funds between them, use the following format for the Financial Arrangements.)

Alternative 2

(Cost of performance includes Financial and Non-financial Costs.)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
U.S. DoD						
CA DND						

(Using the above table and whatever description is necessary, explain and demonstrate how the PA will be funded. Identify both financial (funds) and non-financial (range time, use of equipment, etc.) contributions and identify the amount of funds to be transferred between the Participants.)

(The Financial Management Procedures Document (FMPD) should be developed by the POs and submitted to the SC (if appropriate) for approval. The FMPD should include as a minimum schedule, handling, funding levels by year, and auditing procedures for monetary contributions anticipated for this PA.)

SECTION VIII

SPECIAL DISCLOSURE AND USE OF INFORMATION PROVISIONS (Optional)

(Insert any special disclosure and use provisions needed to implement the PA)

SECTION IX

CLASSIFICATION

Only one of the three following possibilities must be selected:

- a. No Classified Information will be exchanged under this PA;
- b. The highest level of Classified Information exchanged under this PA is: CONFIDENTIAL; or
- c. The highest level of Classified Information exchanged under this PA is: SECRET.

SECTION X

PRINCIPAL ORGANIZATIONS INVOLVED

(List Test Facilities and other organizations of the Participants.)

SECTION XI

PROJECT EQUIPMENT TRANSFERS

Providing Party	Receiving Party	QTY	Description	Part/ Stock #	Consumables/ Non-Consumables	Approx Value

NOTES:

- 1. In the event that the collaborative efforts under the PA require the provision of Project Equipment (including test articles) to either Participant, then a list of such Project Equipment must be developed in general accordance with the preceding table. (Project Equipment which cannot be identified at the time of PA signature will be documented, when identified, in a list to be developed and maintained by the POs in the format at Appendix 2 to this Annex.)
- 2. If jointly acquired Project Equipment is an aspect of the collaborative efforts under the PA, then terms and conditions for the disposal of such jointly acquired Project Equipment must be included in the PA.

SECTION XII

ENTRY INTO EFFECT, DURATION AND TERMINATION

This	CTE PA, a Project under the MOU					
between the Department of Defense of the United	ed States of America and the Department of					
National Defence of Canada will enter into effect	et upon signature by the MOU Management					
Agents (MAs), and will remain in effect for years unless terminated by either or both Participant(s) or by termination or expiration of the MOU. It may be extended by written						
	•					
FOR THE DEPARTMENT OF DEFENSE	FOR THE DEPARTMENT OF					
OF THE UNITED STATES OF AMERICA	NATIONAL DEFENCE OF CANADA					
Signature	Signature					
Name	Name					
Title	Title					
Date	Date					
Location	Location					

APPENDIX 1

COOPERATIVE PROJECT PERSONNEL

ASSIGNMENT OF (INSERT NAME OF PROJECT) COOPERATIVE PROJECT PERSONNEL

- 1.1 Purpose and Scope.
 - 1.1.1 This Appendix to the Project Arrangement (PA) establishes the provisions that will govern the conduct of the U.S. DoD or CA DND Cooperative Project Personnel. During the term of the PA, each Participant will be permitted to assign military members or civilian employees of its U.S. DoD/CA DND to the Joint Project Office (JPO), or to U.S. DoD or CA DND field activities in accordance with this Appendix. Cooperative Project Personnel will be able to perform all the responsibilities for the positions assigned to them under this PA. Commencement of assignments will be subject to any requirements that may be imposed by the other Participant or its government regarding acceptance of PA Cooperative Project Personnel, such as, but not limited to, visas and visit request documentation. The U.S. DoD and CA DND SC representatives or, in the event no SC is established, the POs, will determine the length of tour for the positions at the time of initial assignment.
 - 1.1.2 Cooperative Project Personnel will be assigned to the JPO or to U.S. DoD or CA DND field activities for Project work (including work at U.S. or CA Contractor facilities) and will report to their designated supervisor within those organizations regarding that work. The designated supervisor will be responsible for the creation of a document describing the duties of each CPP position, which will be subject to approval by the SC or, in the event no SC is established, the POs. Cooperative Project Personnel will not act as liaison officers for their parent organizations or governments. However, such personnel may act from time to time on behalf of their SC representative (or PO as applicable), if the latter so authorizes in writing.
 - 1.1.3 Cooperative Project Personnel will not be assigned to command or other positions that would require them to exercise responsibilities that are reserved by law or regulation to an officer or employee of the Host Participant's government.
- 2.1 Security.
 - 2.1.1 The U.S. DoD and CA DND SC representatives (or POs as applicable) will establish the maximum level of security clearance required, if any, to permit Cooperative Project Personnel to have access to Classified Information and facilities in which Classified Information is used in accordance with the Project Security Instruction (PSI) and Classification Guide (CG). Access to Classified Information and facilities in which Classified Information is used will be consistent with, and limited by, Section III (Objectives) and Section IV (Scope of Work) of this PA and the corresponding provisions of this Appendix, and will be kept to the minimum required to accomplish the work assignments.

- 2.1.2 The parent Participant will file visit requests for the Cooperative Project Personnel through prescribed channels in compliance with the Host Participant's procedures. The Participants will cause security assurances to be filed, through their respective embassies, specifying the security clearances for the Cooperative Project Personnel being assigned. The security assurances will be prepared and forwarded through prescribed channels in compliance with established procedures.
- 2.1.3 The Participants will use their best efforts to ensure that both U.S. DoD and CA DND personnel assigned to the JPO or field activities are made aware of, and required to comply with, applicable laws and regulations as well as the requirements of Section VIII (Disclosure and Use of Project Information), Section IX (Controlled Unclassified Information), and Section XI (Security) of the MOU, and the corresponding provisions of this Appendix, and the PSI and CG. Prior to commencing assigned duties, Cooperative Project Personnel will, if required by the Host Participant's laws, regulations, policies, or procedures, sign a certification concerning the conditions and responsibilities of Cooperative Project Personnel.
- 2.1.4 Cooperative Project Personnel will at all times be required to comply with the security and export laws, regulations, and procedures of the Host Participant, as briefed in accordance with paragraph 3.2 of this Appendix. Any violation of security or export procedures by Cooperative Project Personnel during their assignment will be reported to their parent organization and government for appropriate action. Cooperative Project Personnel committing willful violations of security or export laws, regulations, or procedures during their assignments will be withdrawn from the Project with a view toward appropriate administrative or disciplinary action by their parent organization and government.
- 2.1.5 All Classified Information made available to Cooperative Project Personnel will be considered as Classified Information furnished to the U.S. DoD or CA DND and will be subject to all of the provisions and safeguards provided for in this PA, this Appendix, the MOU, the PSI and the CG.
- 2.1.6 Cooperative Project Personnel will not have personal custody of Classified Information or Controlled Unclassified Information, unless approved by the JPO and as authorized by the parent organization. They will be granted access to such information in accordance with the provisions of the PSI during normal duty hours when access is necessary to perform Project work. They may not have unsupervised access to classified libraries or operating centers, or to document catalogues, unless the information therein is releasable to the public.
- 2.1.7 Cooperative Project Personnel will not serve as a conduit between the U.S. DoD and the CA DND for requests for and/or transmission of Classified Information or Controlled Unclassified Information unless specifically authorized by the PSI.
- 3.1 Administrative Matters.

- 3.1.1 Consistent with Host Participant's laws and regulations, Cooperative Project Personnel will be subject to the same restrictions, conditions, and privileges as Host Participant personnel of comparable rank and in comparable assignments. Further, to the extent authorized by the Host Participant's laws and regulations, and applicable multilateral and bilateral treaties, agreements and arrangements, Cooperative Project Personnel and their authorized dependents will be accorded:
 - 3.1.1.1 Exemption from any Host Participant tax upon income received from their parent organization or government.
 - 3.1.1.2 Exemption from any Host Participant customs and import duties or similar charges levied on items entering the country for their official or personal use, including their baggage, household effects, and private motor vehicles.
- 3.1.2 Upon or shortly after arrival, Cooperative Project Personnel will be informed by the Project Office or Host Participant field activities about applicable laws, orders, regulations, and customs and the need to comply with them. Cooperative Project Personnel will also be provided briefings arranged by the Project Office or Host Participant field activities regarding applicable entitlements, privileges, and obligations such as:
 - 3.1.2.1 Any medical or dental care that may be provided to Cooperative Project Personnel and their dependents at the Host Participant's medical facilities, subject to applicable laws and regulations, including reimbursement when required by such laws and regulations, and any bilateral or multilateral agreements or arrangements.
 - 3.1.2.2 Purchasing and patronage privileges at military commissaries, exchanges, theaters, and clubs for Cooperative Project Personnel and their dependents, subject to applicable laws and regulations, and any bilateral or multilateral agreements or arrangements.
 - 3.1.2.3 Responsibility of Cooperative Project Personnel and those dependents accompanying them to obtain motor vehicle liability insurance coverage in accordance with laws and regulations applicable in the area where they are residing. In case of claims involving the use of private motor vehicles by Cooperative Project Personnel and their dependents, the recourse will be against such insurance
- 3.1.3 The POs, through the JPO and Host Participant field activities, will establish standard operating procedures for Cooperative Project Personnel in the following areas:
 - 3.1.3.1 Working hours, including holiday schedules.

- 3.1.3.2 Leave authorization, consistent to the extent possible with the military or civilian personnel regulations and practices of both Participants.
- 3.1.3.3 Dress regulations, consistent to the extent possible with the military or civilian personnel regulations and practices of both Participants.
- 3.1.3.4 Performance evaluations, recognizing that such evaluations must be rendered in accordance with the providing Participant's military or civilian personnel regulations and practices.
- 3.1.4 Cooperative Project Personnel committing an offense under the laws of the government of either Participant may be withdrawn from this Project with a view toward further administrative or disciplinary action by the providing Participant. Disciplinary action, however, will not be taken by the Host Participant against Cooperative Project Personnel from the providing Participant, nor will Cooperative Project Personnel from the providing Participant exercise disciplinary authority over Host Participant personnel. In accordance with the Host Participant's laws, regulations, and procedures, the Host Participant will assist the providing Participant in carrying out investigations of offenses involving Cooperative Project Personnel.